

**Fiscal Year (FY) 2008
WIC Electronic Benefits Transfer (EBT)
Project Implementation Grant
Request for Application (RFA)**

**Cooperative Agreement Applications Due
to FNS Must Be Postmarked by July 7, 2008**

Note: This competition is open to all WIC State agencies that have completed FNS requirements associated with EBT planning activities.

The Catalog of Federal Domestic Assistance (CFDA) Number is 10.578.

Table of Contents

Background	3
Eligibility for Cooperative Agreement	3
Amount of Funds Available	3
Funding Priorities and Use of Funds	4
Application Information	4
Submission Instructions	6
Evaluation Information.....	7
Award Process	8
Use of Funds – Terms and Conditions	9
Post-Award Activities	11
Attachments	11

Fiscal Year (FY) 2008
WIC Electronic Benefits Transfer (EBT)
Project Implementation Grant
Request for Application (RFA)

Background

In accordance with Public Law 110-161, the Food and Nutrition Service (FNS) plans to award grant funds, if available, to WIC State agencies to support WIC Electronic Benefits Transfer (EBT) project implementation activities. This Request for Application (RFA) for EBT project implementation grants is open to all WIC State agencies, except those State agencies with existing WIC EBT projects. Grant funds will be awarded on a competitive basis and are subject to funding availability. The award of funds under this RFA does not guarantee funding under future WIC EBT grant solicitations. The purpose of this RFA is to award EBT grant funds to qualified State agencies in order to assist with implementation of EBT. (Note: For projects receiving FY 2008 funding, the EBT Cooperative Agreements will be funded no later than September 30, 2008. End dates will be determined based on individual proposals and approved timelines.)

FNS requirements for EBT planning activities or a Planning Advance Planning Document (PAPD) must be complete or in progress prior to applying for this grant. At a minimum, a comparative analysis of paper costs to anticipated EBT operational costs must be submitted to FNS for review before State agencies will be considered under this RFA. This baseline cost analysis is intended to help State agencies decide whether they can afford the on-going cost of EBT. While cost neutrality is not required, State agencies must be confident they can support the on-going cost of EBT within their nutrition services and administration (NSA) budget. This early cost analysis is used to support FNS decisions to fund Phase II - Project Implementation grant requests.

Eligibility for Cooperative Agreement

This solicitation is open to all WIC State agencies that have successfully completed or are in the process of completing planning activities associated with EBT. This includes any State agency that has submitted a Planning APD to FNS.

Amount of Funds Available

FNS anticipates awarding up to two million dollars for Phase II - Project Implementation activities. The amount of funds awarded under this RFA depends on the number of requests received and competing funding needs within the WIC Program. If funding levels are not sufficient in FY 2008 to fund these grants, grants may be awarded in the subsequent fiscal year, subject to the availability of funds, based on responses to this solicitation, without further competition.

Funding Priorities and Use of Funds

FNS will only fund systems that build upon the current technical standards and standard business practices developed from previously funded projects. Funding under this RFA is intended for EBT project implementation, to include pilot testing and cost evaluation. Submission and approval of a cost evaluation demonstrating that projected statewide implementation is affordable based on the outcome of pilot operations is a prerequisite to Phase III – Statewide Expansion funding, if available. Funding awarded under this solicitation will not, in most cases, cover costs associated with statewide rollout. In anticipation of statewide expansion approval and funding, State agencies may want to include in their Request for Proposals for an EBT development contractor a procurement option that allows for statewide expansion following a successful pilot project and approved cost evaluation. If a State agency desires a different approach to project implementation, suitable justification should be submitted.

Note: Considerable reference information on WIC EBT is available and in the public domain, including a WIC EBT National Cost Evaluation tool (see <http://www.fns.usda.gov/apd/> and other sources for information on EBT).

Application Information

State agencies applying for Phase II Cooperative Agreement funding should provide FNS with a detailed proposal for implementation of an EBT pilot project. The proposal must respond to the evaluation criteria listed below and include all of the requirements discussed herein. Proposals should describe in detail the State agency's plans to operate a project under a Cooperative Agreement. The proposal should describe all activities in the plan and how the applicant plans to achieve those activities within the proposed project timeline. Information provided to address the evaluation criteria must be sufficiently detailed in the narrative statement to demonstrate the ability to perform the proposed activities. The application should be prepared following the guidelines and instructions below and contain the following elements in the order indicated. Note: A PAPD may be submitted in place of the application. The PAPD does not need to follow the order listed below, but it must address all of the following elements.

1. **General** - State agencies should submit an original and two copies of each application document. One copy must be ready for copying, that is single-sided, unstapled, unbound, on 8 ½" x 11" paper, and single spaced. The number of pages for the entire Application should be no more than 40 pages, including appendices, with narrative in a font size no smaller than 12 point.
2. **Application Assembly**
 - ✓ **Application for Federal Assistance (SF-424)**
 - ✓ **Table of Contents** – The Table of Contents should contain page numbers for each component of the application beginning with the Application Summary.

- ✓ **Application Summary** – The application should include a complete summary of the project and specific activities to be undertaken. It should focus on overall project goals and objectives and relevance to the goals of the FNS 5-Year Plan for EBT.
- ✓ **Project Description** – Address the following:
 - **Narrative Statement** – The narrative should contain a brief introduction that describes EBT planning activities conducted to date, the outcome of those activities, to include analysis of baseline paper food instrument costs and anticipated operational EBT costs, if available, or an estimated timeline for completion of this cost analysis. The narrative should identify the scope of the project, to include the pilot site selected, the clinics and retailers and factors considered in their selection; the anticipated duration of the entire project through statewide rollout and the duration of the pilot project; and plans for pilot project cost evaluation. The narrative should also describe the key features of the State agency's WIC eligibility certification system and its ability to support EBT operations.
 - **Procurement Plan** – The procurement plan should address open competition and coordination with State information technology, contracts management, and coordination with Food Stamp Program staff to prevent conflicts of interest. The procurement plan should describe the procurement method to be used (i.e., secure contractor assistance or conduct the project in-house) and the contractor resources to be devoted to the project.
 - **Project Manager** - A project manager must be identified or plans to hire a project manager must be stated. The project manager must either be a certified project manager or have project management experience.
 - **Staffing and Project Management** - The narrative should discuss the State agency's strengths, resources, and experience that indicate the ability to carry out a complex EBT implementation. This includes discussion of dedicated State resources available to manage and staff the EBT project; whether new positions will be created; and the percent of time key personnel will devote to the project. The narrative should include evidence of retailer support and commitment to participate in the EBT design, development and operations.
 - **Schedule / Timeline of Activities, Milestones, and Deliverables** – A chart that clearly identifies activities and key tasks with start and end dates is required. Milestones with go, no-go decisions should be identified. Decision points must include the criteria to be used to make the go/no go decision. The timeline should factor in time for FNS review of draft documents to include a Project Implementation Plan, a Retailer Implementation Plan, Requests for

Proposals, contracts, as well as the State procurement schedule for reviewing bids and awarding contracts.

- **Proposed Budget** – A detailed budget must be submitted as part of the application and must include amounts budgeted for each activity planned by fiscal year quarters. Please indicate the amount of funds requested for each budget line-item in narrative form and provide supporting details for the cost estimate. The application should also include a cost allocation plan, if applicable, through the duration of the proposed project. Use the attached checklist when preparing the proposed budget.
- ✓ **Budget Information** - Standard Form (SF) 424A and B.
- ✓ **Indirect costs** – If the applicant is using a rate agreement negotiated by a cognizant Federal agency, a copy of the most recent negotiated indirect cost rate agreement needs to be included with the application. The percentage amount and base should be indicated in the budget narrative.
- ✓ **Cost Sharing** – While the WIC EBT program does not have a cost sharing requirement, the sources and amounts of all support (if any) should be summarized on the SF-424 and in the budget narrative.
- ✓ **Certification Regarding Lobbying** – SF-LLL, Disclosure of Lobbying Activities.

Submission Instructions - The completed application package must be received by FNS Headquarters at the address listed below on or before 5:00 PM Eastern Time (ET) on July 7, 2008.

1. **Electronic Application Submission** – Applications may be submitted electronically by accessing www.grants.gov. This is a new government website designed for electronic submission of applications/proposals. Please allow ample time to familiarize yourself with the system's requirements. You will need both a Data Universal Number (DUNS) and a Contract Registry Number (CCR) to access the system. You may contact Dun and Bradstreet at 1-800-234-3867 to obtain a DUNS number if you do not have one already.

All applicants submitting their application/proposal via www.grants.gov must send an email to veronica.ferrell@fns.usda.gov, advising that the application was submitted through the grants.gov portal. This email must be received no later than 5:00 PM ET on the application due date. Also, the grants.gov system provides several confirmation notices when an application is submitted through the portal. Please be sure that you receive a confirmation notice which acknowledges that your application was accepted by the system.

2. **Mail or hand delivery of the grant application.** Submit one original and two copies of the application to the address below by the deadline. If you opt to mail your application, we strongly suggest using a mail delivery service which guarantees delivery and allows you to track delivery to FNS.

FNS will not accept faxed or emailed applications.

Late applications will not be considered.

Additions or revisions to applications will not be considered once the applications are received by FNS.

MAILING ADDRESS: If you are submitting your application by mail, it should be sent to:

**Veronica Ferrell, Grant Officer
Food and Nutrition Service
Grants Management Division
3101 Park Center Drive, Room 738
Alexandria, VA 22302-1594**

DEADLINE: Applications are due on or before **July 7, 2008** at 5:00 PM Eastern Time (ET).

Evaluation Information

- **Panel Review:** All applications that meet the deadline for submission will be screened for completeness and conformity to the requirements of this solicitation. If deemed fully responsive, the request will be considered for funding. Based on the responses to the criteria discussed below, a panel of FNS staff will determine the technical merit of each request and provide a numerical score.

- **Evaluation Criteria:**

- **Project Plan (Narrative Statement) (50 points)**

The application adequately reflects the planning conducted to date and the outcome of those planning activities. It outlines a detailed plan to develop and implement an EBT project and identifies potential pilot sites and procurement plans. Project descriptions should detail each step necessary to design and implement and include a cost estimate for the various activities. The applicant's plan should appear feasible and reflect a thorough understanding of the complexities of EBT system development and implementation. The timeline and cost estimates should contain sufficient detail and appear reasonable based on other EBT pilot experiences. The application should include a discussion of potential issues that may prevent or slow the project's successful implementation and suggest solutions or contingencies. The plan should demonstrate efforts to

minimize cost and time required for upfront system development and emphasize strategies to ensure the successful completion within the projected timeline.

➤ **Staffing and Management (15 points)**

The application should outline plans for staffing and managing the EBT project. The roles and duties of all key staff should be thoroughly explained including identifying persons or entities responsible for oversight and completion of various project activities. The Plan should provide evidence of dedicated resources to manage and staff the pilot project and describe prior experience of key staff in large scale system design/development and/or project management. (Note: FNS strongly encourages a dedicated project manager.)

➤ **Demonstrated Retailer Support (15 points)**

The application should provide evidence of retailer support and commitment to participation in the design, development and operation of a WIC EBT project. Plans to facilitate ongoing communication and involvement of retailers should be discussed.

➤ **Current WIC Management Information System (MIS) (15 points)**

The application should describe the applicant's current WIC Management Information System and the system's ability to support EBT operations with minimal modification.

➤ **Additional Points (5 points)**

The project proposal contains unique features, such as cost saving strategies, new technological approaches, or other features that would qualify for additional points.

Total Possible Points = 100

Award Process

- A panel of FNS staff will review applications and make recommendations for funding to the FNS selection officials. The proposals will be ranked by score starting at the highest score and presented to selecting officials based on this ranking. The final decision to award grants for FY 2008 is at the discretion of USDA selecting officials. Selecting officials will consider the panel rankings and comments, recommendations from FNS regional office staff, and other pertinent information before deciding which proposals to fund. FNS selecting officials reserve the right to fund proposals out of rank order based on written assessments made by evaluation panel members, information provided by regional office staff, and agency priorities.
- FNS reserves the right to fund successful applications at an amount less than requested if federal funding is not sufficient. If funds are not sufficient to award Cooperative Agreements under this announcement for FY 2008, FNS reserves the

right to award Cooperative Agreements in a subsequent fiscal year without further recompetition, subject to the availability of funds.

- FNS Headquarters will provide final approval of the EBT funding awards. The Supplemental Food Programs Division (SFPD) will notify State agencies of the selection decision and will announce the selected projects to the Regional Offices (ROs) once award recommendations have been made and cleared within the U.S. Department of Agriculture.
- A Cooperative Agreement will be awarded to the selected State applicant(s). A Cooperative Agreement is used rather than a grant agreement, which is typically used for general infrastructure funding, because the EBT projects require substantial coordination between FNS and the State agency for the following reasons: (1) FNS has a strong interest in the outcomes of the activities carried out through this funding to identify implementation strategies that provide potential cost savings; and (2) it is difficult to predict and plan schedules, budgets, and outcomes since WIC EBT technology and implementation is limited in its scope and continues to evolve.
- States that are not selected will be offered a debriefing via the telephone after official notifications have been sent.

Use of Funds – Terms and Conditions

- Terms and conditions of the WIC EBT Cooperative Agreements will be subject to 7 CFR 175/3015/3016/3017/3018/3019/3021/3052. (A copy of these regulations may be obtained at <http://www.gpoaccess.gov/cfr/index.html>.) Applicants must agree to comply with the USDA regulations above (which codify Office of Management and Budget (OMB) circulars) listed below.

7 CFR Part 175: “Trafficking Victims Protection Act”

7 CFR Part 3015: “Uniform Federal Assistance Regulations;”

7 CFR Part 3016: “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments” (Reference OMB Circular A-102 Common Rule);

7 CFR Part 3017: Subparts A-E, “Government-wide Debarment and Suspension (Non-procurement);”

7 CFR Part 3017: Subpart F, “Government-wide Requirements for Drug-free Workplace (Grants);” and,

7 CFR Part 3018: “New Restrictions on Lobbying.”

7 CFR Part 3019: OMB Circular A-110, Uniform Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations

7 CFR Part 3021: “Government Requirements for a Drug-free Workplace.”

7 CFR Part 3052: OMB Circular A-133, Audits of States, Local Governments and Non-profit Organizations

- The EBT Cooperative Agreements will be funded no later than September 30, 2008. End dates will be determined based on individual proposals and approved timelines.
- The grant period will be specified on the FNS-529, the Grant/Cooperative Agreement signature page. Grant funding must be obligated within the grant period. All activities under the program must take place within the period of agreement. Grant funding must be drawn from the letter of credit account within 90 days following the agreement expiration date.
- By July 15th of the second Federal fiscal year of the Cooperative Agreement, FNS will assess the progress of State Grantee(s) and determine whether there is a need to recover and redistribute unspent grant funds from projects that are not progressing as planned.
- FNS reserves the right to cancel the Cooperative Agreement at any time if it is determined that the funding goals will not be met. Examples include insufficient progress under the project or failure to meet the conditions of the Cooperative Agreement.
- The Grantee must submit quarterly progress reports and quarterly/annual financial reports within 30 days after the end of each quarter. In addition, a SF-269A (Short Form) Financial Status Report must be completed and submitted within 30 days after the end of each fiscal quarter and 90 days after the end of each fiscal year of the reporting period. The final 269A is due no later than 90 days after the close of the Cooperative Agreement period. At the end of the project, each grantee must submit a final report on the project outcomes and evaluation results.

Additional Terms and Conditions to be added to Cooperative Agreement:

- The Grantee must provide assurances that the EBT contractor will build to a universal MIS-to-EBT system interface so the system is not EBT-processor specific. (Further detail is referenced on the FNS website. See Kentucky MIS Interface Standard at http://www.fns.usda.gov/apd/Library/WIC_EBt_does.htmAPD document library).
- The Grantee must agree to use the National Universal Product Code (NUPC) Database by developing a management information system interface for the upload and download of State approved foods and their associated UPC to the NUPC.
- The Grantee agrees to provide FNS a Project Implementation Plan and a Retailer Management Plan in accordance with the proposed project timeline.
- The Project Implementation Plan must address plans for acquiring or developing an EBT system and clinic interface; testing various applications, integrating EBT with retailer cash registers; acquiring equipment; processing EBT transactions; and training staff and participants.

- The Retailer Management Plan must address:
 - Use of standard X9.93 specifications and business rules for integration.
 - Timelines for achieving retailer integration in relation to full caseload implementation.
 - Review of retailer integration documentation deliverables.
 - Use of State agency and contractor resources for retailer management.
 - Retailer certification requirements.
 - Equipment deployment for non-integrated grocery stores, including associated costs for this as either an up-front investment and/or as an ongoing expense under the State agency's NSA grant.

Post-Award Activities

FNS is interested in identifying cost-effective methods for implementing WIC EBT systems nationwide. To meet this objective, these projects require a strong partnership between FNS and WIC State agencies. FNS national and regional office staff will work closely with State agencies awarded grants to ensure that the project design is consistent with national goals, objectives, and standards. FNS expects that State agencies awarded EBT funds will participate in activities to disseminate and share information about their EBT systems and experiences including:

- Developing system design and requirement documentation (to enable the sharing and transfer of information and models with other State agencies);
- Sharing information about EBT experiences with FNS and other State agencies;
- Collecting consistent cost and transaction data for design and cost evaluations;
- Evaluating the project and disseminating results.

Attachments

✓ **SF-424** (Attachment 1)

✓ **SF-424A and SF-424B** (Attachments 2 and 3)

✓ **Certification Regarding Lobbying** (Attachment 4)

✓ **Budget Narrative Checklist** (Attachment 5)

FNS/SNP/SFPD/PAMB/JECKLEY/SF-214

FILE: FY 2008/EBT 1/EBT General

DOC: I:\WICPAMB\INTEGRITY-TECH SECTION\EBT\Grants\2008 EBT Grants\FY 2008 Planning
and Implementation EBT Grants\FY 2008 Implementation Grant Package for EBT.5.7.08.doc